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December 7, 2007

Ms. Marlene H. Dortch, Secretary Federal Communications Commission 445 12<sup>th</sup> Street, SW Portals II, Room TW-A325 Washington, DC 20554

EX PARTE NOTICE

Re: High-Cost Universal Service Support, WC Docket No. 05-337 (Notice of Proposed Rulemaking, FCC 07-88); Federal-State Joint Board on Universal Service (CC Docket No. 96-45).

Dear Ms. Dortch:

On December 6, 2007, David Zesiger and David Bartlett, both with Embarq, met with Scott Bergmann, Legal Advisor to Commissioner Adelstein. They discussed the "interim, emergency cap on the amount of high-cost support that competitive eligible telecommunications carriers (ETCs) may receive" (CETC Cap) that the Commission has proposed adopting. Embarq reiterated its support for the CETC Cap, and urged the Commission to adopt it expeditiously. In particular, Embarq suggested that there is now a clear path for implementing the CETC Cap, and for addressing objections that have been raised to the CETC Cap.

Embarq also explained that the CETC Cap will facilitate rather than impede progress toward comprehensive reform. In this regard, Embarq discussed the recent Recommended Decision by the Federal-State Joint Board on Universal Service, which addresses comprehensive reform of the high-cost support mechanisms. The Joint Board recommends that CETC support be converted into to a separate "mobility fund," and implementing the CETC Cap is consistent with this recommendation. With respect to the question of fairness, Embarq noted that several of the current high-cost support mechanisms are already capped, and that the bulk of the support Embarq receives comes from such capped mechanisms. Finally, Embarq also noted its support for USTelecom's proposal to implement the CETC Cap with separate caps on IAS support for CETCs and incumbent local exchange carriers.

<sup>&</sup>lt;sup>1</sup> *High-Cost Universal Service Support*, WC Docket No. 05-337, Notice of Proposed Rulemaking, 22 FCC Rcd 9705 (2007).

<sup>&</sup>lt;sup>2</sup> High-Cost Universal Service Support, WC Docket No. 05-337, Recommended Decision, \_\_ FCC Rcd \_\_\_\_\_, FCC 07J-4, November 20, 2007.

<sup>&</sup>lt;sup>3</sup> Letter dated November 21, 2007 from David B. Cohen, USTelecom, to Marlene H. Dortch, FCC, *High-Cost Universal Service Support*, WC Docket No. 05-337.

Pursuant to Section 1.1206(b) of the Commission's rules, one copy of this electronic notice is being filed in the above-referenced dockets. Please call me if you have any questions.

Sincerely,

Jeffrey S Lanning Director – Federal Regulatory

cc: Scott Bergmann